

**Chairman Tom Davis  
Opening Statement  
Government Reform Committee Hearing  
“Can You Clear Me Now? Weighing ‘Foreign Influence’ Factors in Security  
Clearance Investigations”  
Thursday, July 13, 2006  
9:30 a.m.  
Room 2154 Rayburn House Office Building**

Good morning and welcome. This hearing continues the Committee’s oversight of efforts to modernize and streamline the security clearance process, a slow, cumbersome and fragmented system out of sync with current national security needs. Today we focus on one key aspect of that process: implementation of new standards to weigh the significance of foreign preferences or foreign influences on the trustworthiness of security clearance applicants. Consistent assessment of those factors across all clearance-granting agencies is one important aspect of the broader effort to update and standardize the security clearance process.

In an increasingly globalized economic and political environment, our nation depends on immigrants for a wide range of functions, including some of the most high-tech and sensitive sectors of government work. Naturalized citizens from every continent have come here and been successful in businesses that support U.S. troops in every theater around the globe. Others provide language expertise that is absolutely critical in our efforts to thwart the next terrorist plot against the American people. This is the kind of work that requires a security clearance, and the ability to distinguish loyal naturalized citizens from those who might pose a security risk is an essential part of getting that work done quickly and effectively.

Cold War standards and practices that broadly, at times automatically, denied clearances to those with extensive foreign contacts need to be refined to meet new realities. Toward that end, the President’s National Security Advisor on December 29, 2005 issued a revised set of parameters designed to guide decision making by security clearance adjudicators across government. The revised guidelines give needed flexibility to clearance grantors in evaluating risks posed by foreign contacts and in considering factors that minimize or mitigate those risks.

Standard, uniformly applied adjudicative guidelines are one element of the larger effort to centralize and unify the process so clearances granted by one agency will be honored by others. Achieving that clearance reciprocity is mandated by provisions of the 2004 Intelligence Reform Act authored by this Committee. But it appears some departments, including the Department of Defense, have been slow to embrace the new standards. I look forward to hearing from our distinguished first panel today about efforts to implement the revised guidelines.

At a time when we need the unique technological, cultural and language expertise of the foreign-born, increased security concerns have made it harder than ever for some with family and business interests abroad to qualify for a clearance. That paradox is compounded by a still-broken investigative and adjudicative system plagued by delays and backlogs.

So we asked our second panel of witnesses to discuss foreign influence factors in the context of the end-to-end clearance process. In May, we heard testimony about a complete meltdown at the Defense Security Service, which briefly stopped processing contractor clearance applications altogether. As that incident illustrated, previous efforts to fix the security clearance process have produced what can only be charitably characterized as mixed results. Delays persist. And agencies still to not trust clearances granted by others.

A number of agencies, including some in the Intelligence Community, have chosen to avoid the lengthy delays and inefficiencies of an OPM-DSS system still addicted to paper and shoe leather. Instead, they deal directly with the same contractors hired by OPM, but allow them to use more modern, web-based investigative tools. That approach appears to achieve significant savings of time and money. I look forward to hearing industry's recommendations for process improvement in the handling of foreign influence factors and in the overall security clearance system.

Again, I want to welcome all our witnesses to today's hearing on a critically important national security issue.